

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY**

STARK & STARK, PC

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In re:

POWIN, LLC, et. al.,

Debtor.

Chapter 11

Case Nos. 25-16127 (MBK)

Hearing Date: August 6, 2025

**TECH HEADS, INC. LIMITED OBJECTION TO SALE OF DEBTORS' PROPERTY
FREE AND CLEAR OF ALL CAUSE OF ACTION AND CLAIMS**

THI, Inc. ("THI") submits this Limited Objection to Sale of Debtors' Property Free and Clear of All Causes of Action and Claims (the "Objection").

FACTUAL BACKGROUND

1. THI is a managed service provider that provides technology services for the Debtor pursuant to a Managed Services Proposal executed in March 2022 and additional related documents which incorporate the terms and conditions of THI and the Debtor's relationship (the "Agreements").

2. On June 10, 2025, along with three other entities, (the "Petition Date") the Debtor commenced its bankruptcy case by filing a voluntary petition for relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). Powin Project LLC had filed its bankruptcy case one day earlier (Case No. 25-16127) (Collectively, with the Debtor and all other affiliated debtors, the "Debtors").

3. No trustee or examiner has been appointed in these Chapter 11 Cases.

4. A Committee of Unsecured Creditors (the “Committee”) was appointed by the United States Trustee on June 27, 2025.

5. On July 17, 2025, the Court entered an Order (I) Designating A Stalking Horse Bidder and Approving Stalking Horse Bidder Protections, (II) Approving Bidding Procedures By Which Interested Parties May Bid and an Auction Sale Format in Connection With the Sale of Substantially All of the Debtors’ Assets, (III) Approving Form of Asset Purchase Agreement, (IV) Approving Form of Notice to be Provided to Interested Parties, (V) Authorizing the Assumption and Assignment of Assumed Contracts and Notice Procedures Thereto, (VI) Scheduling A Court Hearing to Consider Approval of The Sale to the Highest and Best Bidder, and (VII) Authorizing the Sale of the Debtors’ Property Free and Clear of All Causes of Action and Claims (the “Bidding Procedures Order”).

6. The Debtor’s schedules reflect certain “assets” related to the Agreements with THI, including the following: (i) Licensing Deposit for \$8,612.00; (ii) Prepayment involving the renewal of the Adobe Acrobat Pro (QTY 263) for \$55,036.98; (iii) Prepayment for Arctic Wolf for \$144,547.15; (iv) Prepayment for KnowBe4 PhishER Subscription for \$760.28; and (v) Prepayment for KnowBe4 Security Awareness Training Subscription for \$2,179.19.

7. To be clear, no “deposits” exist that THI is holding. The payments remitted by the debtor are for technology contracts/licenses. There are no funds/deposits/pre-payments being held by THI whatsoever and as such non-existent funds cannot be sold/assigned as part of any contemplated sale.

Objection

A. Debtor Cannot Sell the “Deposits”

9. The basic legal concept *Nemo dat quod non habet* is frequently translated as "you cannot sell that which you do not own." Here, the Debtor's list certain pre-payments and deposits as assets in their schedules. Such deposits/pre-payments simply do not exist and cannot be sold. The funds paid by the Debtor were used for technology licensing agreements. They are not being held by THI and cannot be transferred to any successful purchaser.

10. Accordingly, any order approving a sale should make it clear that no deposits and/or pre-payments are being held by THI and cannot be transferred as part of a sale.

WHEREFORE, THI respectfully requests that this Court enter an order that: (i) denies the sale motion to the extent it seeks to transfer deposits / pre-payments purportedly being held by THI; and (ii) grants THI such additional relief as this Court deems just and equitable.

Dated: August 4, 2025

Respectfully submitted,

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A Professional Corporation

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